Corporate Social Responsibility: A Study with Special reference to selected Companies in Nanded District

Broadly, CSR (Corporate Social Responsibility)1 symbolizes the relationship shared between a company and the wider community. Business has to recognize the fact that it is bound by the welfare of the community. Thus the objective of every responsible corporate is to fulfill the obligation to contribute to the community in which it operates as well as draw from the same. Post 1991, LPG – liberalization, privatization and globalization has gained prominence and so has CSR. Given the size and scope of companies, it is obvious that corporations have begun to wield unimaginable influence on the nation's assets. It is astonishing that the revenues of few companies even exceed GNP (Gross National Product) of certain small countries of the world. A large part of nation's resources are controlled by some of the Companies and the government's role is contracting to just governance and facilitation. Thus, forces of globalization are partly affecting and responsible for the gradual disintegration of established political structures or at least applying pressure on the existing political structure and economic structure. In light of above facts, there seems to be a fertile environment which is allowing the development of few driving forces which in turn encourage the development of principles, practices and agenda of CSR. Governments all over the world perceive CSR as contribution of business to the nation's long term objectives of sustained development. In essence, the suggestion is that commercial corporations must fulfill their duty and certain obligations towards the well being of society.

Corporate Social Responsibility links the responsibilities of the enterprises with the society, and the activities of the enterprises to the strict environmental and social standards, and supports the community with different approaches. Besides the criteria on using advanced, clean environmentally friendly technology, reducing carbon gas and toxic substances which may cause bad impacts on the zone layer, and climate change, enterprises are also required to be transparent in their production and business activities and the leaders of the enterprises should be responsible for explanations to relevant competent authorities.

Review of Literature

Bowen (1953) 1 the earliest person to start the contemporary effort todescribe the principle of Corporate Social Responsibility. The importance ofcompany associations with community not only gives them vital authority anddecision making, but their actions also influence the existence of citizens innumerous ways. Sound business community dealings are hypothetical to berecognized in order to substantiatebusiness activities to communal prospects.New York University press. Bowen has taken a study on the point of hierarchy ofcompany action. He established that there are four stages. At the bottom areexecutives who

experience that society is well served as long as the companyobeys the law. At the subsequently level, executives who go beyond the lawfulleast,accepting the required to provide community expectations as well and takeaction to public attitude.

Kaith Davis (1975)2 has given five proposals for societal accountability incompany. The primary proposition state that social responsibility occurs fromsocial influence. Social responsibility occurs from a concern about theconsequences of company events as they influence the wellbeing of others. Thesecond intention is that company has to function as a two - way open scheme withthe open receiving of contributions from the public and open revelation of itsprocess to the public. The third proposition is that communal expenses as well as benefits of an activity, manufactured goods or service with the produce of amanufactured goods or not. The fourth proposition states that the community costsof each activity, product or service should be priced into it so that the user pays forthe belongings of his consumption on people. The final proposition is that furthermore communal expenses decrease, company organization as people haveeveryday jobs for community participation in neighborhood of their abilitywherever chief community requirements exist. The author sketches the essentialbeliefs for mounting generally accountable strategies.

The American Accounting Association's (AAA) Committee on Accountingfor social Performance (1975)**3** has carried out a study in the region of communitydimensions and reporting. Social reports of 14 forms were examined under thehierarchy of standards, secondary criterion and further thoughts following Estesstandards for Corporate Social Reporting.

Heathm R. L. Ryan M (1989)4 public relations role in defining corporatesocial responsibility. This study inquired public association's practitioners aboutcode of responsibility within their companies. They found that most of theassociations had policies, some unwritten, and practitioners were only sometimesconcerned in influencing these codes. The investigation inquired communityrelations practitioners of 300 companies, and out of the 82 finished investigation,24 different titles for the practitioners situation come out. A self-reportedproblem with this study is that the researchers assume that having a code ofbehavior implies these firms are more socially responsible than those who donot. Overall, Health and Ryan's study reveals that 1) many different positions maybe responsible for codes of conduct, and 2) while some practitioners may be involved in developing codes of behavior, there is not a direct link toshow that these practitioners influence CSR as an end product.

Diana, Nigel (1996)**5** made an empirical study on corporate socialresponsibility in UK companies. This study observes corporate publication of U.K. companies to examine the nature of corporate social responsibility disclosureand also consequences recommend a hierarchical replica of revelation.

G. S. Batra, (1996)6 argues that social auditing has key importance as thereis a growing awareness about corporate sector enterprises should contributetowards the social goals. Attempt to assess the social performance of a corporate enterprise in terms of costs incurred by the enterprise considered against thebenefits to the recipients. (Batra, 1996). There is a need to have regular audit ofsocial accounts on the basis of which the comparative social performance of thecorporate sector can be studied. The concept of social audit should be extended tothe activities relating to employees, environment, society and products. There is aneed to develop a useful social reporting framework to ensure the effectiveness ofthe social audit programme in the corporate sector which in turn can contributepositively to society at large.

Brian, Hegarty, (1999) 7 conducted an empirical study in somedeterminants of student Corporate Social Responsibility Orientation. Thisstudy observes the result of gender, deceitful orientation, and publicly attractiveexposure on the respondent's orientation toward CSR. A sample of 219 scholarstudents from a Midwestern university exhibited differences in orientation acrossgender and degree of deceitful orientation.

Md. Zabid Abdul, Saadiatul Ibrahim, (2002)8 examined the attitudes ofMalaysian managers and executives towards social responsibility and also theextent of socially responsible activities involved, corporate disclosure, and thefactors determining the attitudes towards social responsibility. A structuredquestionnaire was developed based on studies by Ford and McLaughin, Teoh andGrgory Thong, Gill and Leinbach and Hones. A total of 198 responses were usedfor analysis in this study. The results showed that only five statements (of the 14statements) have scores of more than 50 per cent agreement or endorsement ofsocially responsible activities. About 69 per cent of the respondents believed that involvement by a business in improving its community's quality of life will alsoimprove long run profitability. Nearly 65 per cent agreed that socially responsibleactivities provide public image. The Analysis of Variance result shows that therewere significant differences in the attitudes of managers working in banking,telecommunication, manufacturing and construction towards social responsibility.Nearly all of the respondents agreed that their companies were involved in sociallyactivities. The other important factors were traditional beliefs and customs, andcommon practices in the industry. Discusses the implications of the findings.

A. K. Sharma, Balvir Talwar (2005)9 has given conceptual approach ofCSR. With increasing impressiveness today's business scenario has becomehighly complex. Aims to focus on corporate social responsibility (CSR), whichhas become increasingly important in the modern era. CSR encompasses a widevariety of concern such as ethical value in business, welfare of society, awareness,respect and protection of the natural and built environment as regular action thatbusiness can take to solve the problems being faced by the society. CSR is anintegral part of

Vedic philosophy. Vedic philosophy emphasizes that thoseactions, which are coming from the core of heart, will provide the long lastingresults. Veda advocates for minimum accumulation, mutual cooperation andmaintenance of natural harmony. The present study attempts to critically evaluatethe modern concept of CSR and enrich it with the path described by Vedicphilosophy to attain the corporate excellence. This study focuses on issues such ascorporate accountability, corporate ethics and disclosure of relevant corporateinformation which are increasingly becoming important centers of attention inbusiness.

Coldwell, (2001)10 made a theoretical and empirical study on theperceptions and expectation of Corporate Social Responsibility. This studyfocuses on the issue of differences in individual perceptions and expectation ofCorporate Social Performance (CSP) and there is evidence to support possiblecasual relationships between CSP, Corporate Reputation (CR) and CorporateFinancial Performance (CFP).

Mohr, L. A, et *al.*, (2001)11 the investigation is based on forty eight (48) indepth individual interrogation, with the public in the lane, in most importantmunicipal vicinity, which have been selected at random. The researcher beganeach topic with general question and then became more exact. Theresearchers followed the below producers for the analysis. First, theyselected five variables on the basis of questions and coded each one forevery interviewee. Second, they checked each case to decide why each participantdoes or does not use CSR as a consideration when purchasing. Finally, theresearcher read all the transcriptions jointly to recognize general topics.

Based on the changeable investigation the researcher concluded that most ofthe respondents are positive towards business in general and towardssocially responsible companies.

Statement of the Problem

Earning profit is the main purpose of a business entity, but undertakingsocial responsibility is the foundation for sustainable development of an enterprise.Companies with responsibilities for the society normally create breakingachievements in industry and market without destroying the environment andconsuming fewer natural resources. Investment and production with socialresponsibility is the best way selection which normally brings about higheconomic outcome in long run because the consumers always select products andservices from the enterprises with respect to the natural resources, environmentand society.

The Corporate Social Responsibility was initially used by nationalcompanies more as a marketing and media coverage instrument rather than forethical values. Recently the public is watching closely and pressing cases ofviolating business ethics and destroying the environment and health at seriously.

However, for the society and thousands of operating enterprises, the issue ofCorporate Social Responsibility (CSR) is started and it requires to be discussedseriously in terms of policy argument and practice. The purpose of this study is todescribe the CSR activities of companiesof Nanded District andexplain the Corporate Social Responsibility approach undertaken by them.Keeping this in view and also review of existing literature researcher decided tocarry out the research on the topic **"Corporate Social Responsibility: A Study with Special reference to selected Companies in Nanded District"** for research work.

Objectives of the Study

The following broad objectives set for the present study.

1. To understand the conceptual framework of corporate ethics and corporate social responsibility.
2. To describe the corporate social responsibility activities undertaken by thecompaniesofNanded district of Maharashtra.
3. To analyze the perceptions and views of the people about the corporate socialResponsibility activities.
4. To examine the stakeholder's expectations from the CSR activities of theCompanies.
5. To study the CSR allocation by companies with respect to Maharashtra State by District wise6. To assess the impact of CSR actions on socio- economic development of rural population

Scope of the Study

The present study on Corporate Social Responsibility is a new theme in the case of companies of Nanded District, Maharashtra. The relevance of the study is for understanding the current practices and importance of Corporate Social Responsibility with respect to companies. The area selected for the study is companies of Nanded District. In the context of the basic objectives laid down for the survey it is decided to limit the scope of the present study to companies of Nanded District. The review of literature revealed that no study has been undertaken on CSR with specific reference to companies of Nanded District

The present study is used to assess what extent the people are benefited from the companies of Nanded District to improve their life. It is an effort to know the secret behind the successful functioning of in the rural areas. It is right time to know the perceptions and expectations of people about Corporate Social Responsibility and suggest remedial measures.

Hypothesis

In order to give proper shape to the present research work under mentioned hypothesis are framed:

H1: The levels of CSR initiatives of the companies are independent of the type of their industryas manufacturing/service and Ownership as private/public.

H2: There is a significant difference in the perceptions of the respondents about CSRactivities of select companies by the gender, age, educational qualifications and Occupation of the respondents.

H3: There is a significant difference in the perceptions of the respondents about CSRactivities of select companies by the company near which they are residing.

H4: There is a significance difference between CSR Allocation by the companies form one district to another district in Maharashtra sate

Sampling Size and Sampling Method

The respondents are selected on convenient sampling method. The respondents are met in their respective villages at convenient places such as Gram Panchayat Office, Post Offices, Banks, School / Colleges and Bus stand.

Sources of Data

The data will be collected through both primary as well as secondary data.

Primary Data

Survey method will be used for collecting the primary data by administering questionnaire. The objective of the survey is to evaluate the effectiveness of CSR activities of selected companies from the people of study area. The survey of residents of villages adopted by the selected companies is will be conducted.

Secondary Data

Secondary data will be collected from books, encyclopedias, year books, textbooks, reference books, journals, reports of committee / commissions appointed byGovernments and public institutions, seminar / conference proceedings,dissertation and thesis and annual reports of companies.

Tools for Analysis

To analyze the data of descriptive statistics such as percentage, Mean and standard deviation will be applied. Statistical test Chi Square ($\chi 2$) test will be applied for testing the hypotheses. The data has been classified, tabulated and analyzed according to the needs of the study.

Limitations of the Study

The study is not free from limitations, given the complex nature andprofundity of the chosen subject. A relatively small sample of units hasbeen selected frompublicly available sources based on the size of the firms.

Therefore the study is not free from following limitations.

1. The study is limited to companies only.
2. The study is confined to Nanded District only.
3. There are 14 s in the district. The study is confined tofour selected s only
4. Study period for secondary data is confined to five financial years from 2018-19 to2022-23

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CHAPTER PLAN

Chapter – I:Introduction and Research Design: This chapter consists of Introduction, Scope of the Study, Review of Literature, Statement of the Problem, Objectives of the Study, Hypothesis of the Study, Research Methodology covering Data Collection, Sample design, Sampling design and Research Analysis, Limitations of the study and Chapter Plan.

Chapter – II:"Corporate Social Responsibility - A Conceptual framework"

Chapter – III: Profile of the Sample Companies

Chapter – IV: Corporate Social Responsibility Activities of Selected Companies in Nanded District

Chapter – V: Perceptions and Expectations of Respondents towards Corporate Social Responsibility Initiatives of Selected Sample Companies

Chapter – VI: Findings, Suggestions and Conclusions

Bibliography

Appendix

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A SYNOPSIS SUBMITTED FOR THE DEGREE OF DOCTOR OF PHILOSOPHY

IN

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